

APPENDIX III **October 2007** **Economic Support Funds (ESF)**

Objective 1: Security Track

a. Provincial Reconstruction Teams (PRTs)

These small-scale projects are intended to support the mission of improved provincial governance through strengthening the ability of provincial governments to deliver essential services to their communities. Projects are approved by the National Embassy Team (NET), while disbursement of the \$315 million in Fiscal Year (FY) 2006 Supplemental funding is coordinated by the Office of Provincial Affairs (OPA). Provincial allocations shown in the table below include approximately \$118 million for Baghdad, \$40 million for Basrah, \$16 million for Anbar, \$5 million for flood relief in the north, and \$9 million for each of the other 15 provinces.

FY 2006 Supplemental Funds Allocation

Province	ESF Amount	NET Approved Projects	Total Cost of NET Approved Projects**
Ninawa	\$9,110,000	4	\$10,145,125
Kurdistan Regional Government (KRG) (Erbil, Sulaymaniyah, Dahuk, flood)	\$31,730,000	29	\$32,312,339
Kirkuk	\$8,930,000	10	\$10,804,393
Salah ad Din	\$8,930,000	6	\$8,099,470
Diyala	\$8,930,000	1	\$8,155,000
Baghdad	\$118,000,000	68	\$110,332,960
Anbar	\$15,930,000	7	\$16,320,309
Babil	\$8,930,000	1	\$6,321,838
Maysan	\$8,930,000	6	\$9,548,055
Muthana	\$8,930,000	13	\$8,566,142
Najaf	\$8,930,000	8	\$9,939,349
Karbala	\$8,930,000	6	\$11,324,159
Wasit	\$8,930,000	11	\$12,021,811
Diwaniya (Qadissiya)	\$8,930,000	7	\$8,274,019
Basrah	\$40,000,000	6	\$38,186,279
Thi Qar	\$8,930,000	18	\$9,644,013
Planning and Development	\$2,000,000		\$2,000,000
Reserve			
Total \$	\$ 315,000,000	201	\$ 311,995,261
Percent Approved			99%
Currently Allocated	\$ 315,000,000		

The FY 2007 funding for PRTs is \$550 million. Of this total, \$80 million has been allocated for Baghdad, \$50 million for Anbar, and \$30 million for Basrah. The other 15 provinces have been allocated \$18 million each, and a reserve of \$120 million has been planned.

FY 2007 Funds Planned Allocation

Province	ESF Total Amount	Current Allocation Amount, First Waiver	NET Approved Projects	Total Cost of NET Approved Projects**
Ninawa	\$ 18,000,000	\$ 3,900,000	1	\$ 167,760
KRG (Erbil, Sulaymaniyah, Dahuk, flood)	\$ 54,000,000	\$ 11,700,000	4	\$ 3,500,595
Kirkuk	\$ 18,000,000	\$ 3,900,000	1	\$ 4,675,227
Salah ad Din	\$ 18,000,000	\$ 3,900,000	6	\$ 7,513,726
Diyala	\$ 18,000,000	\$ 3,900,000	1	\$ 9,239,381
Baghdad	\$ 80,000,000	\$ 17,200,000	12	\$ 24,473,547
Anbar	\$ 50,000,000	\$ 10,600,000	0	-
Babil	\$ 18,000,000	\$ 3,900,000	0	-
Maysan	\$ 18,000,000	\$ 3,900,000	1	\$ 8,222,500
Muthana	\$ 18,000,000	\$ 3,900,000	0	-
Najaf	\$ 18,000,000	\$ 3,900,000	0	-
Karbala	\$ 18,000,000	\$ 3,900,000	2	\$ 1,444,429
Wasit	\$ 18,000,000	\$ 3,900,000	0	-
Diwaniya (Qadissiya)	\$ 18,000,000	\$ 3,900,000	0	-
Basrah	\$ 30,000,000	\$ 6,100,000	0	-
Thi Qar	\$ 18,000,000	\$ 3,900,000	29	\$ 14,881,450
Planning and Development	-	-		
Reserve	\$120,000,000	\$ 7,600,000		
Total \$	\$550,000,000	\$100,000,000	57	\$74,118,615
Currently Allocated	\$100,000,000			

U.S. Government Implementing Agency: Department of Defense

Accomplishments:

- PRT staff have worked closely with provincial officials to develop budget plans and improve their budget execution performance. 2007 is the first full year in which provincial governments have had control over the budgeting process; previous-year provincial budgets were entirely directed by the central government. As a result of PRT assistance, provincial governments have been increasingly able to commit the funds they receive. Through October 6, preliminary PRT data indicate that 60 percent of the total 2007 provincial capital budget of \$2 billion has been committed; the Ministry of Finance estimates as well that 100 percent of all 2006 funds have similarly been committed. Provincial governments have proven adept at handling the need to commit and disburse both 2006 and 2007 funds simultaneously.

- The U.S. Department of State and the U.S. Army Corps of Engineers (USACE) entered into an Interagency Agreement (IAA) and a subsequent amendment, under which the USACE Gulf Region Division (GRD) is responsible for the execution and disbursement of the \$315 million in FY 2006 Supplemental funds and an additional \$100 million in FY 2007 Supplemental funds. GRD responsibilities also include overall project quality assurance and oversight. The agreement includes the processes and procedures for submission of projects through the Iraqi-led Provisional Reconstruction Development Committees (PRDCs) as well as approval of projects through the National Embassy Team. This IAA and its amendment have fully obligated a total of \$415 million for PRDC projects.
- The PRDCs throughout the Iraq provinces have forwarded lists of desired and prioritized projects totaling \$478 million to the field operations team in Baghdad for consideration. The following activities have been accomplished under this IAA:
 - NET approved project funding for \$311.0 million in FY 2006 Supplemental funds and \$74.1 million in FY 2007 Supplemental funds in Iraq's 18 provinces. All approved projects are either in the procurement process or have already been awarded.
 - Awarded 171 contracts totaling \$241.8 million for PRDC projects. These projects cover a wide range of small-scale infrastructure projects identified by local Iraqi governments as filling critical needs, including village water projects, storm and sanitary sewer projects, electrical network projects, roads, bridges, and school renovations and additions. Projects have been awarded for new eight- and twelve-room schools and renovations and additions to existing school facilities.
 - Started construction on 63 projects with a work-in-place value of \$67.2 million.
 - Completed five projects with a construction contract value of \$2.2 million. Completed projects include two schools in Baghdad, two water network projects in Erbil, and an electrical network in Erbil.
 - The Kirkuk PRT team, working jointly with the Government of Iraq and firms from the United Kingdom, started working on an Urban Master Plan for Kirkuk and surrounding provinces as a step toward drawing up a 20-year development strategy. The project will employ between 50 and 100 Iraqi professionals and will be finished when Iraqi staff are able to maintain the completed master plan.
 - In Baghdad, PRDC priorities have focused on providing immediate impact in the essential service areas of water, sewer, and education. Through the PRDC program, more than ten neighborhood water networks are undergoing renovation and replacement, and storm-water and sewer networks are being constructed.

b. Local Governance Project

The Local Governance Program (LGP) (\$155 million in ESF funding) works closely with Iraqis in all 18 governorates and actively supports and complements PRT initiatives to promote diverse and representative citizen participation in provincial, municipal, and local councils. LGP also seeks to strengthen the management skills of city and governorate administrators, local interim representative bodies, civil society organizations (CSOs), and civic institutions to improve the delivery of essential municipal services, such as water, sewer, electricity, and solid waste collection and disposal.

Since the establishment of the LGP, over 750,000 Iraqis have participated in 22,000 discussions to educate citizens on democracy and political transitions. Additionally, the LGP has trained 2,000 council members (15 percent women), 28 governors, 42 deputy governors, 420 directors general, as well as key staff in 380 departments and all of the new provincial councils elected in January 2005. The LGP also has been assisting in the development of a draft Local Governance Code that was agreed to by all 18 governorates.

U.S. Government Implementing Agency: USAID

Accomplishments:

- USAID has obligated the entire \$155 million of Local Governance Project funds under an existing contract with Research Triangle Institute, and it expects to begin disbursements next quarter.

c. Community Stabilization Program in Strategic Cities

The Community Stabilization Program (CSP) (\$514 million in ESF funding) focuses on reducing the incentives for young men to participate in violent conflict. CSP activities are designed to reduce insurgency, sectarian violence, and crime by employing disenfranchised young men in Iraqi cities that have suffered from violence or have populations at risk due to insurgent or militia activity. CSP implementation often takes place in support of Multinational Force-Iraq (MNF-I) and Iraqi Security Force “Clear-Control-Retain” operations. The program is conducted in close collaboration with Iraqi local government bodies and responds to critical needs in Iraqi communities. CSP is currently implementing social and economic stabilization programs in eight cities and is planning to expand operations to an additional ten.

In consultation with MNF-I, PRTs, agencies, and local communities, CSP selects neighborhoods and districts for short-term projects that generate significant employment in the provision of essential services and public works. CSP also provides activities for Iraqi youths, such as sports tournaments, cultural events, and arts activities. The program generates long-term employment through business development, including micro-grants to Iraqi small businesses and business skills training. In collaboration with the Ministry of Labor and Social Affairs, CSP supports vocational education in skill areas identified through formal and informal market surveys. CSP also works to place vocational education graduates in long-term jobs with the assistance of employment agents and through a subsidized apprenticeship program. The program is also developing a network of employment service centers to research market demand and help place unemployed Iraqis in long term jobs.

U.S. Government Implementing Agency: USAID

Accomplishments:

- Obligated an additional \$150 million for CSP to expand essential services, public works, vocational education, business development, and youth activities in currently active cities and to expand to newly identified strategic cities. The program ceiling was also raised to allow immediate obligation of the remaining funds from the 2007 supplemental appropriation (\$204 million) when they become available.
- Implemented activities that provided over 120,000 person-months of employment in short-term community infrastructure and essential services, which equates to a weekly average of approximately 10,000 over the quarter. Increased ability to generate employment in all areas of Baghdad due to calmer security conditions. Expanded to new areas over the quarter, resulting in an average daily employment level of 70,865 by the final week of September.
- Provided vocational skills training to 1,329 people in Baghdad, bringing the total number of graduates to 9,075. There were 2,092 apprentices employed this reporting period, with an additional 3,075 long-term vocational training graduates employed in non-apprenticeship jobs.
- Processed 3,404 grants to support businesses development, creating more than 11,982 long-term jobs (of more than three months).
- Provided business skills training to 1,871 people, all of whom graduated at the end of the course.
- A total of 17,540 youths participated in non-formal education activities over the quarter.

d. Infrastructure Security Protection for Oil, Water, and Electricity

The Infrastructure Security Protection (ISP) program (initially \$277 million in ESF funding, reduced to \$247 million) plans and executes programs to provide security for infrastructure related to oil, water, and electricity. ISP projects span three key governmental essential services sectors and deliver projects of five primary types:

- Exclusion Zones (EZs): Creating a protected area to provide security to linear infrastructure, typically consisting of fencing, setbacks, towers, berms, and ditches.
- Facilities Hardening (forward operating bases, power lines, water stations): Improving existing critical infrastructure to withstand interdiction attempts and security breaches. This can include chain-link fence, razor wire, guard towers, structural hardening, lighting, perimeter berms, hesco barriers, and concertina wire.
- Intrusion Detection Systems (IDS): A monitored electronic array of sensors that can detect potential or actual perimeter breaches to allow for the rapid and efficient dispatch of security forces to a possible threat.
- Integrity: Security programs that focus on biometrics, identity cards, redundancy and viability in equipment, and other safety equipment necessary to eliminate single points of failure.
- Support: Programs that support the sustainment and maintenance of enduring security programs, such as life support, security facilities, and training programs.

U.S. Government Implementing Agency: Department of Defense

Accomplishments:

- U.S. Department of State and USACE entered into an Interagency Agreement under which the USACE GRD is responsible for the execution and disbursement of \$247 million in FY 2006 Supplemental funds as well as quality assurance oversight. The agreement includes project lists for all three sectors and fully obligates the funds available for Infrastructure Security. The following key projects are currently being executed through the ISP program:
 - Oil pipeline exclusion zone projects (\$80 million) are being carried out along the key pipeline corridors of Bayji to Kirkuk, Baghdad to Karbala, and Bayji to Baghdad. These projects represent an investment in protecting oil distribution infrastructure and are in various stages of completion, ranging from the initial survey stage to approximately eight percent of total completion.
 - Hardening projects (\$51 million) are being carried out for electrical transmission lines, electrical substations, petro-chemical refineries, water treatment plants, power generation plants, and offshore oil platforms. Completion rates range from water treatment plants being bid out for construction to electrical substations that are nearly complete.
 - Intrusion systems and integrity and support projects (\$85 million) focus on mitigating specific point vulnerabilities through the use of technology (in ground intrusion detection systems, remote observation platforms, or early warning devices), specific application of equipment or parts (critical surge relief valves, quick response oil repair kits, or security force background vetting), or support activities (training facilities/programs, life support facilities in support of security).
 - Sixty-eight percent of separate ISP contracts have been awarded or are in the process of being awarded, while 12 percent are in the feasibility or financial approval phase and 20 percent remain in the solicitation and bidding phase.

e. Community Action Program (CAP)

The Community Action Program (\$80 million in ESF funding) builds upon previous community development efforts and further strengthens the links between communities and their governments. CAP will facilitate formal community coordination with local and provincial governments, promote transparency and accountability at all levels, and encourage local ownership of public goods.

U.S. Government Implementing Agency: USAID

Accomplishments:

- CAP II has restructured its program to coordinate better with Provincial Reconstruction Teams and has continued to operate in some of the most difficult parts of Iraq.
- CAP II has completed almost 400 community projects and is currently working on more than 600 new ones.

- CAP community activists help bring different communities together in conflict-mitigation dialogues, leading to broader projects *between* communities that address the sources of conflict.

CAP continues to manage the Marla Ruzicka War Victims Fund to assist innocent victims of coalition action, which helps CAP quickly earn community acceptance and builds trust in areas recently emerging from conflict

f. Quick Response Fund (QRF)

The Quick Response Fund (\$50 million in ESF funding) seeks to accelerate economic and social development within Iraqi provinces by building the capacity of local neighborhood and government officials and members of community-based organizations, including non-profit organizations, business and professional associations, charitable organizations, and educational institutions. The Department of State is executing \$25 million in QRF funds through grants, contracts, and micro-purchases, and working closely with USAID, which is executing the other \$25 million. State and USAID work closely together as the two implementers of the QRF Program, sharing staff and operating the grants process jointly. For grants made by PRTs, USAID has contracted a U.S. firm to provide a turnkey management solution that includes implementing the grants, monitoring and evaluating the results, and managing the closeout.

U.S. Government Implementing Agencies: Department of State and USAID

Accomplishments:

- Program has been initiated, with guidance and funds being moved to the PRTs.
- Twenty-three grant proposals totaling \$2.7 million have been developed and are in various stages of execution.
- Twenty procurements (including micro-purchases) in the amount of \$500,000 are being processed.
- USAID has obligated \$25 million to an implementer that is in the process of mobilizing.

Objective 2: Economic Track

a. Infrastructure Capacity Development Training and Technical-Level Management

Programs in this category (\$60 million in ESF funds) focus on strengthening essential service ministries through Operation and Maintenance (O&M) training programs for primarily technician-level operators at major electricity power plants, water and wastewater plants, and select health, transportation, and communication facilities. Training includes preventive maintenance planning and scheduling, inventory control systems, spare parts forecasts and procurement, apprenticeship and certification programs with existing Iraqi technical institutes, and, in the power sector, planning for annual maintenance outages.

U.S. Government Implementing Agency: Department of Defense

Accomplishments:

- U.S. Department of State and USACE entered into an Interagency Agreement under which the USACE GRD is responsible for the execution and disbursement of \$60 million in FY 2006 Supplemental funds, of which the agreement obligates the full \$60 million allocated for technical training. The following activities have been accomplished under this agreement:
 - Completed and approved prioritized project lists for the use of all authorized funds, with 68 specific efforts identified. Planned efforts span essential service areas of Electrical, Health Care, Transportation, Communication, Water, and Sanitation.
 - As of August 31, 2007, 28 contracts have been awarded totaling \$34.3 million for Infrastructure Capacity Development Training and Technical-Level Management; 79 percent of efforts are planned to be under contract by September 30.

b. O&M Sustainment of Key U.S.-Funded Infrastructure

O&M Sustainment (\$285 million in ESF funds) will assist Iraqis to sustain U.S. investments in essential service infrastructure by providing in-plant services (such as combustion inspections and hot gas path inspections) and consumables and spare parts at major electricity power plants, water and wastewater plants, and select health, transportation, and communication facilities.

U.S. Government Implementing Agency: Department of Defense

Accomplishments:

- U.S. Department of State and USACE entered into an Interagency Agreement under which the USACE GRD is responsible for the execution and disbursement of \$285 million in FY 2006 Supplemental funds. The following activities have been accomplished under this agreement, which fully obligated the \$285 million allocated for O&M Sustainment:
 - Completed and approved prioritized project lists for all authorized funds, with 60 specific efforts identified. Planned efforts span O&M sustainment of U.S.-funded facilities in the essential service areas of Electrical, Health Care, Transportation, Communication, Water, and Sanitation.
 - As of August 31, 41 projects worth \$169.4 million have been awarded under the O&M sustainment projects.
 - All contracts for Phase III of the Water Supply Sustainment Program (WSSP) have been awarded. The program will include O&M support and training for large water and wastewater facilities, establishment of a Circuit Rider program for small water projects, development of a centralized training program for water and wastewater operators (from the MMPW, KRG Ministry of Municipalities, and Amanat Baghdad, a voluntary worker certification program), and a nationwide generator O&M support program.

- Critical equipment purchases for the Mosul Dam enhanced grouting program are still pending, causing further delays in implementation of the new grouting program, which is needed to mitigate the risk at the dam site. More than \$18 million out of \$30 million in procurements to be executed by WIBV under Task Order 13 were canceled due to the inability of WIBV to obtain satisfactory bids.

c. Agriculture Private Sector Development

The *Inma* private sector agribusiness development project targets the formation and growth of agribusiness firms to stimulate and expand agriculture production, increase productivity, and achieve higher levels of employment. Currently mobilizing, the project will identify and support new businesses and expand operations of privately-owned and operated businesses. This effort will join with specific supply chain enhancements to help Iraq meet its domestic food needs and revitalize a sector that employs over a quarter of Iraq's population. Additionally, USAID will complement the U.S. Department of Agriculture's efforts in national policy implementation promoting and supporting commodity-focused agribusinesses. Specifically, the project seeks to increase the competitiveness of agribusiness enterprises, including by upgrading national food policies and regulations to meet international standards.

U.S. Government Implementing Agency: USAID

Accomplishments:

The *Inma* private sector agribusiness development project is currently mobilizing. Early accomplishments include:

- Supporting a farmer co-op in Anbar Province that will demonstrate high-yield seed potential in a 130-hectare demonstration plot;
- Initiating the launch of a new agriculture finance component through the Iraq Company for Bank Guarantees to help increase access to capital for agribusinesses and farmers; and
- Initiating the launch of a "value chain" study evaluating Baghdad's produce markets to identify necessary improvements to farm-to-market connections.

Objective 3: Political Track

a. Ministerial Capacity Development

The Ministerial Capacity Development Program assists the Government of Iraq (GoI) in strengthening the capacity necessary for the effective delivery of public services, particularly in key national ministries (including the Ministries of Finance, Electricity, Oil, Municipalities and Public Works, Water Resources, Planning, Justice, Agriculture, and Health, as well as their Inspectors General) and anti-corruption organizations (such as the Commission on Public Integrity and the Board of Supreme Audit).

In addition to these ministries, USAID's *Tatweer* Project works closely with the Prime Minister's Office (PMO), Deputy Prime Minister's Offices (DPMO), and the Council of Ministries' Secretariat (COMSEC). The activities include two main elements: specific, immediate support to key ministries through the Ministerial Coordination Team and the Ministry Advisory Teams; and support to develop uniform approaches to key public administration functions such as project management, procurement, human resources, building the capacity to deliver public services, and managing training programs in these areas to sustain this effort.

U.S. Government Implementing Agencies: Department of State and USAID

Accomplishments:

- State and USAID have worked with other U.S. agencies to increase the number of public management advisors (PMAs) within key Iraqi ministries and achieve a more rapid improvement in those ministries' performance. USAID has provided 32 advisors to these ministry Performance Management Teams, and the Departments of the Treasury and Health and Human Services also provided three experts for this effort.
- During the past three months, more than 1,200 Iraqi government civil servants were trained in public administration skills, raising the total number trained to 2,400.
- USAID rolled out the Training of Trainers program in Baghdad's ministries as well as in the provinces of Northern and Southern Iraq. To date, 130 trainers (graduates of the *Tatweer* training program, 35 percent female) are using their knowledge and skills in their own organizations and delivering training to their colleagues in the specialized core of administration.
- USAID selected 100 candidates from a pool of 730 applicants under Round Three of the *Tatweer* Scholarship program for masters' degrees in public administration.
- Working with mayors' offices and PRTs, USAID successfully conducted a TOEFL (Test of English as a Foreign Language) test for 40 civil servants from Telafar and another 60 from Mosul to help the participants meet language requirements for the *Tatweer* scholarship program.
- Developed part of the work plan for general training courses and tailored courses together with COMSEC, PMO, and DPMO.
- Issued two sub-contracts to provide training services within 15 provinces to complement training currently provided by three regional affiliates of the National Training Center.

- The Iraq Transition Assistance Office at Embassy Baghdad has obligated \$45 million in Ministerial Capacity Development initiatives.

b. Policy, Legal, and Regulatory Reform

Assistance to the Ministry of Finance and Central Bank of Iraq (\$35 million in ESF funds) will focus on the areas of banking supervision, evaluation and enforcement of the reserve requirement, management and sale of Iraqi treasury bills, data collection, statistical analysis, and information technology management. This program will assist the MoF in developing an integrated annual budget using the International Monetary Fund (IMF) classification system and international standards for planning and reporting. Budget planning activities will assist the MoF in preparing the Iraqi budget to meet the conditions of the Stand-By Arrangement (SBA) with the IMF. This program will also help the GoI improve its employee payroll system and support the Iraqi Financial Management Information System (FMIS), which will enable the GoI to have real-time budget reporting and management across spending agencies. This system will improve accounting processes and budget execution in accordance with the Financial Management Law and international standards, increasing transparency in budget preparation and execution. Further assistance to the GoI for FMIS is contingent on clear indications of Ministry of Finance engagement to fulfill their commitments to this project. These efforts will be coordinated with the Treasury Attaché and the Department of the Treasury's Office of Technical Assistance.

U.S. Government Implementing Agency: USAID

Accomplishments:

- Provided assistance to the Tax Policy Unit (TPU) to implement the tax legislative reform program, with particular emphasis on a sales tax.
- Finalized the forms, procedures, and database systems needed to support the census of government employees. Trained Ministry of Finance (MoF) staff in the use of these materials to enable them to conduct this census, as required by the IMF Stand-By Arrangement.
- Provided technical assistance to Central Bank of Iraq (CBI) and the GoI on completion of the CBI-IMF Safeguard Compliance Program and meeting the SBA requirements.
- Assisted the MoF and the Pension Reform Steering Committee in revising pension amendments, including a proposal for equitably adjusting old pension benefits, as requested by the Council of Representatives.
- Assisted the Ministry of Labor and Social Affairs (MoLSA) in developing the Social Safety Net Beneficiaries Database for Baghdad using the new forms and the Pilot PHASE I software. Facilitated the start of the planning process for pilot PHASE II software roll-out in 18 governorates.
- Assisted MoLSA in building a public-private partnership with the Small Business Development Center for business startups, and provided funding for MoLSA Micro-business Support Unit employees to participate in a training-of-trainers module organized by the SBDC.

- Assisted the GoI to promote and disseminate its e-government strategy to ministries and relevant government agencies.
- Supported a conference on the draft Law of Charges on Movable Property with 14 senior Iraqi officials representing various Ministries from KRG and Baghdad in attendance, as well as representatives from private banks, the Shura Council, and the Council of Representatives. The purpose of the law is to facilitate and encourage rapid expansion of financial services to businesses and consumers in the form of loans and other credit transactions.
- Conducted an initial mentoring program for staff from the Baghdad Business Registry to work with Business Registry employees in Erbil and Sulaymaniyah, focusing on harmonizing the registration of different types of companies and monitoring them after registration.

c. Democracy and Civil Society

Funding in the amount of \$56 million (FY 2006 budget) and \$50 million (FY 2006 emergency supplemental appropriation) supports critical democracy-building programs as Iraqis transition to their first permanent, democratically-elected government. ESF funding will support efforts by the Council of Representatives to address a number of important governance issues through the legislative and constitutional process, as well as capacity strengthening for the Independent Higher Electoral Commission of Iraq. ESF funds in this category also support the participation of women and minorities in the political process and civil society efforts. Under the FY 2007 Continuing Resolution, an additional \$15.3 million in ESF funds was provided to further support the National Democratic Institute's democracy building programs.

U.S. Government Implementing Agencies: USAID and Department of State's Bureau of Democracy, Human Rights, and Labor (DRL)

Accomplishments:

USAID

- Supported ongoing development of the Independent Higher Electoral Commission of Iraq (IHEC) and its newly appointed Board of Commissioners by: developing IHEC capacity to create and maintain a new voter registration system, creating a strategic planning committee and enhancing its understanding of strategic planning, and developing procurement and public information offices.
- Engaged U.S. military planners and senior staff officers on election planning and logistics, as well as drawing "lessons learned" from the 2005 elections.
- Worked with the IHEC to build the capacity of 19 Governorate Electoral Offices to administer elections.
- IHEC will be ready to hold a national election event in March 2008. It is generally recognized as being ahead of the political clock on elections and is one of the centers of excellence in the GoI.
- The USAID Civil Society in Iraq program closed on June 30, 2007.

DRL

- Conducted training sessions for legislative and administrative branch leaders and party, civic, and women activists. Trainings covered an extensive geographic scope within Iraq and treated a wide range of topics, including budget, oversight, and leadership for government officials; conflict resolution, political, and media skills for political parties; election observation and negotiation for activists; and reporting for journalists and broadcasters.
- Supported conferences and other forums for assisting Iraqi organizations in advancing advocacy agendas or discussing policy options on women's rights, constitutional reform, and other priority issues.
- Organized workshops on capacity building, governance, and advocacy for business associations and chambers of commerce.
- Established a training program pairing think-tank partners with RD legislative research staff to acquaint them with methods and skills of researching issues relevant to legislators.
- Supported the Iraq Foundation's five-day conference on national reconciliation in Erbil, gathering 40 CSOs to discuss national reconciliation. Recommendations from the conference have been published and submitted to the Iraqi Parliament's Constitutional Committee.
- Supported the expansion of the Women's Leadership Institute (WLI) with the opening of a satellite office in Erbil.
- Hosted a four-day event in Erbil for members of Civic Coalition for Free Elections (CCFE) as a follow-up to a previous study mission to Bosnia-Herzegovina. The training focused on conflict resolution programs and the internal organization of CCFE.
- Completed the next round in the series of Research Design Seminars. Held in Istanbul, Turkey, the program brought together a cadre of experts in the field of public opinion research to train the Center for Polls and Marketing Research from Iraq.
- Planned, coordinated, and successfully conducted a five-day conflict management training course for the Iraq Local Governance Association, the Iraqi equivalent of the U.S. National Governors Association. Fifty-five provincial council members attended the session to learn about conflict management and apply their new skills in a computer-assisted simulation. Initial feedback indicates this was a major success and could open the door to similar training at the district level elsewhere in Iraq.
- Conducted the second of a three-part conflict management project focusing on the flash-point city of Kirkuk. The training brought 38 civic leaders of Kirkuk to Sarajevo, Bosnia-Herzegovina, where they met with Bosnian civic leaders who described how they managed to resolve their differences. Plans are being made for the final session.
- Commissioned 12 policy papers to be written by various Iraqi and Kurdish think tanks that will be delivered in subsequent workshops with various stakeholders. Topics include: engineering contracting law, customs law, anti-monopoly and competition policy, anti-dumping, investment law, companies registration law, intellectual rights, unemployment, privatization, disguised unemployment, capital markets, and the importance of statistics in decision making.
- Approved funding for six projects to NGOs in Iraq, including Iraqi Human Rights Watch Society, Athar Center for Development, and Alamahaba FM.
- In the next quarter, DRL anticipates continuing and extending its training programs for legislative, civic, political party, women, and business audiences on a similarly broad range

of topics. It also anticipates continuing its support for advocacy, capacity building, and public opinion work.

- Specific projects will include conducting Field Facilitator trainings to deploy a network of individuals to help broaden field organizations and conduct training at the grassroots, and organizing a ten-day study tour for approximately 20 business association leaders in Romania on business practices.

d. Regime Crimes Liaison Office

Regime Crimes Liaison Office (RCLO) programs (\$33 million in ESF funds) assist the Iraqi High Tribunal (IHT) in coordinating assistance to the IHT by U.S. agencies in Iraq, other foreign governments, law enforcement agencies, and international and non-governmental organizations. The RCLO also serves as the lead Coalition office supporting the IHT's measures to ensure the safety of witnesses and victims of crimes that are under investigation.

U.S. Government Implementing Agency: Department of Justice

Accomplishments:

- Started supporting the 1991 Uprising Case.
- Made structural preparations for consolidation of the witness security camps.
- Facilitated an international law training symposium sponsored by the United Nations Development Program.
- Obligated \$26.2 million of the FY 2006 ESF Support Funds available.